

## Saline County

### Estimated Economic Impact of Agriculture, Food, and Food Processing Sectors

6/28/2018

Using the most recent IMPLAN data available (2016) adjusted for 2018, 22 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Saline County economy.<sup>1</sup>

These 22 sectors have a total direct output of approximately **\$835.5 million** and support **2646 jobs** in Saline County. Running the model for all 22 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall Saline County Economy						
Impact Type <sup>2</sup>	Employment	% Employment	Total Value Added <sup>3</sup>	Total Value Added % of Gross Regional Product <sup>4</sup>	Output <sup>5</sup>	Output % of Gross Regional Product
Direct Effect	2646.1	6.29%	\$185,956,019	6.52%	\$835,452,375	29.30%
Indirect Effect	1122.5	2.67%	\$94,258,872	3.31%	\$172,517,627	6.05%
Induced Effect	963.2	2.29%	\$68,565,484	2.41%	\$117,988,305	4.14%
Total Effect	4731.7	11.25%	\$348,780,376	12.23%	\$1,125,958,307	39.49%

As shown in the above table, agriculture, food, and food processing sectors support **4732 jobs**, or **11.25%** of the entire workforce in the county. These sectors provide a total economic contribution of approximately **\$1.13 billion**, roughly **39.49% of the economy**.

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of GRP. Total value added by the 22 agriculture, food, and food processing sectors is approximately **\$348.8 million**, or **12.23% of the GRP**. This indicates that personal income, business income, and taxes generated by these sectors account for **12.23% of the total economy**.

The following tables document the overall summary numbers of the model, top industries affected by employment and output, and a listing of all industries that were analyzed.

<sup>1</sup> Article on building a contribution analysis in IMPLAN that avoids double counting:

[http://www.implan.com/index.php?option=com\\_content&view=article&id=660%3A660&catid=253%3AKB33&Itemid=70](http://www.implan.com/index.php?option=com_content&view=article&id=660%3A660&catid=253%3AKB33&Itemid=70)

<sup>2</sup> Direct, indirect, and induced effects sum together to estimate the total economic contribution in the state. **Direct effects** capture the contribution from agricultural and food products. **Indirect effects** capture the economic benefit from farms and agricultural businesses purchasing inputs from supporting industries within the state. **Induced effects** capture the benefits created when employees of farms, agricultural businesses, and the supporting industries spend their wages on goods and services within the state.

<sup>3</sup> Value added = labor income + indirect business taxes + other property type income.

<sup>4</sup> GRP = final demand of households + governments expenditures + capital + exports - imports - institutional sales.

<sup>5</sup> Output = intermediate inputs + value added.

In the top ten agriculture, food, and food processing sectors by employment, the frozen specialties manufacturing sector is the top employer with **984 employees**. This table also shows the amount of jobs that are created by the agriculture industry in Saline County.

Top Ten Agriculture, Food, and Food Processing Sectors by Employment		
Sector	Total Employment	Total Output
Frozen specialties manufacturing	984.2	\$361,974,176
Farm machinery and equipment manufacturing	595.9	\$308,306,603
Wholesale trade	399.6	\$71,360,492
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	357.8	\$25,130,792
Landscape and horticultural services	208.4	\$11,070,388
Grain farming	142.6	\$31,185,217
Truck transportation	89.3	\$15,084,870
Full-service restaurants	84.8	\$3,939,886
All other crop farming	80.1	\$3,608,395
Limited-service restaurants	78.7	\$6,112,549

The frozen specialties manufacturing sector directly contributes approximately **\$362.0 million** to the Saline County economy. The table below also shows the amount of revenue that is generated in other industries by having a strong agriculture industry.

Top Ten Agriculture, Food, and Food Processing Sectors by Output		
Sector	Total Employment	Total Output
Frozen specialties manufacturing	984.2	\$361,974,176
Farm machinery and equipment manufacturing	595.9	\$308,306,603
Wholesale trade	399.6	\$71,360,492
Flour milling	40.5	\$55,876,973
Grain farming	142.6	\$31,185,217
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	357.8	\$25,130,792
Owner-occupied dwellings	0.0	\$17,009,509
Management of companies and enterprises	70.7	\$16,742,100
Oilseed farming	24.8	\$15,247,765
Truck transportation	89.3	\$15,084,870

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture, food, and food processing sector and the output they contributed to the Saline County economy.

<b>All Agriculture, Food, and Food Processing Sectors</b>		
<b>Sector</b>	<b>Total Employment</b>	<b>Total Output</b>
Oilseed farming	24.8	\$15,247,764.84
Grain farming	142.6	\$31,185,217.42
Vegetable and melon farming	0.2	\$27,377.25
Fruit farming	2.4	\$120,793.45
Tree nut farming	0.0	\$16.56
Greenhouse, nursery, and floriculture production	1.5	\$112,770.25
All other crop farming	80.1	\$3,608,394.92
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	357.8	\$25,130,791.88
Dairy cattle and milk production	2.2	\$514,114.40
Poultry and egg production	0.5	\$245,143.50
Animal production, except cattle and poultry and eggs	13.9	\$1,015,595.24
Commercial logging	17.3	\$790,194.13
Commercial hunting and trapping	35.4	\$718,773.26
Flour milling	40.5	\$55,876,972.83
Frozen specialties manufacturing	984.2	\$361,974,175.70
Bread and bakery product, except frozen, manufacturing	39.5	\$4,757,688.01
Frozen cakes and other pastries manufacturing	2.5	\$394,214.75
Wineries	4.0	\$1,211,005.38
Farm machinery and equipment manufacturing	595.9	\$308,306,603.38
All other industrial machinery manufacturing	17.5	\$4,744,715.73
Veterinary services	74.9	\$8,399,664.33
Landscape and horticultural services	208.4	\$11,070,388.15

All 105 counties in Kansas have an IMPLAN model and an agriculture, food, and food processing contribution summary. These values do not factor in the retail environment of food sales. Food retail is important, but in order to provide the most accurate picture of what production agricultural and processing contributes to Saline County, the retail sector was omitted.